
Graduate Connection

Vol. 5 No. 1
September 1999

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This is the fifth year of the Department of Economics' newsletter for graduate students. The newsletter will be published three times a year on approximately Labor Day, December 1, and March 1. It contains information and notices about activities in the department of interest to graduate students. It also serves as a formal notification of events, application deadlines, and course offerings.

From the Department Chair . . .

Welcome to our first-year grad students!

Welcome to the Department of Economics and to Evanston. We hope that your years with us are productive and fulfilling. Please take the opportunity to mix with other graduate students and the faculty. A good way of doing this is at the TGIF held every Friday at 5:00PM.

Moving

During the summer there have been a number of moves in preparation for the construction of the new north wing of Andersen Hall, which is due to start on September 27 and continue until January 2001. Our administrative offices have moved to the second floor. The new locations are:

Joel Mokyr - Chair - Room 204
Ethel M. King - Room 206
Main Office (Rhonda Jefferson and Sandy Shaver) - Room 207
Undergraduate Enquiries (Scott Zacher) - Room 208
Rita Mendelsohn - Room 209
Copy Room - Room 213
Graduate Secretary (Mercedes Thomas) - Room 215

Incoming mail for graduate students will be placed in individualized hanging folders in the green filing cabinet which is on your left as you enter the main office.

In addition the following faculty have moved:

Robert Coen - Room 317
Martin Eichenbaum - Room 218
Robert Gordon - Cresap Room 106
David Haddock, Hilarie Lieb, Lou Cain - Room 328
Joel Mokyr - Room 331
Dale Mortensen - Room 203
Leon Moses, John Panzar, Ron Braeutigam - Transportation Center, 600 Foster Street, Second Floor
Richard Spady - Room 308

Graduate student accommodations

Carrels and desks will be moved into the renovated graduate students space in the Cresap Wing of Swift Hall starting on September 13. We hope to be ready for occupation on Monday, September 20. At the end of this newsletter is a floor plan and a provisional allocation of students to rooms. The good news is that we were able to acquire twelve carrels from the library, which are small, but have allowed us to accommodate 61 students compared with 49 last year. However, we still cannot seat at least five students. Therefore if you believe that you will not use your carrel please tell the Ian Savage so he can reallocate it.

Students are encouraged to make pareto-improving exchanges of spaces, but please let the Assistant Chair <ipsavage@nwu.edu> know so that we can produce a student directory within the next few weeks.

Keys to the offices will be ordered through Mercedes Thomas. You will need to complete a card to request your keys. You will receive two keys: one to your office and one for the outside door of Cresap. The key to the outside door also

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opens the new TA room in room 110 South. In addition you are still entitled to an electronic key to Andersen Hall so that you can have access to the computer laboratory.

Please note that as we move in the furniture we may find that the planned number of desks and carrels in a room may change, so minor variations in the announced room allocation are possible.

Seminars

Because of the construction we no longer have our own seminar room or conference room. Graduate second and third year classes will now be held in regular university classrooms. Check the course schedule (or the descriptions given later in this newsletter) for locations.

We have been given use of a KGSM classroom Leverone 165 between 3PM and 6PM for the use of our regular workshop series and the E01 seminars. This room is on the east side of the entrance foyer to Leverone Hall.

Departmental management

The management team of the Department has seen only one change for the coming year. **Mark Witte** has taken over as Director of Undergraduate Studies. The team is:

Joel Mokyr - Chair

Ian Savage - Assistant Chair

Joe Ferrie - Director of Graduate Studies

Mark Witte - Director of Undergraduate Studies

Asher Wolinsky - Director of Graduate Admissions

Robert Gordon - Director of Graduate Placement

Joe Altonji - Director of Computing

Course number changes

During the coming quarter the University will be introducing a new computer system for registration. This will allow on-line registration for the winter quarter. Another visible sign of the change will be the course numbering system.

From Winter Quarter 2000, class numbers will be changed from alphanumeric to just numeric numbers

A level classes will become 100 level (e.g. A01=101)

B level classes will become 200 level (e.g. B01=201)

C level classes will become 300 level (e.g. C10-1=310-1)

D level classes will become 400 level (e.g. D11-2=411-2)

E level classes will become 500 level (e.g. E01=501)

In addition the code for the Economics Department will change from "0417" to "ECON." Remember the existing system will apply for the fall quarter, but the new system will apply starting when you register for your winter quarter classes.

Recent honors

I would like to congratulate **Ben Chabot** on his Alfred P. Sloan Foundation dissertation award for 1999-00, **Ernesto Villanueva** on winning the NU Dissertation Year Fellowships, **Dan Levy** on winning a MacArthur Foundation Scholarship, and **Zhixong Zeng** for winning a Social Science Research Council Pre-Dissertation-Year Fellowship.

Faculty changes

The Department is pleased to welcome our new permanent and visiting faculty. We have three new Assistant Professors. **Kim-Sau Chung** received his Ph.D. from the University of Wisconsin at Madison. He is a native of Hong Kong. He is a theorist with interests in matching and affirmative action. His office is in the Math Center, Leverone 378, 1-8227.

Alexander Monge received his Ph.D. from the University of Chicago. He is from Costa Rica, and has also studied in Chile. He is a macroeconomist with a wide variety of interests in money and banking, theory, growth and development, financial economics, labor economics and time-series econometrics. He is in room 311, 1-8234

Charles Zheng is a Chinese citizen who received his education in the United States, most recently obtaining a Ph.D. from the

University of Minnesota. He works in applied game theory and auction theory, with particular interests in electricity deregulation and bankruptcy. He can be found in room 326, 1-8213.

We have a number of visitors this year: **Carolyn Tuttle** is a 1986 Northwestern Ph.D. who is teaching in the Department of Economics at Lake Forrest College. She is primarily an economic historian with interests in labor, and money and banking. She will be in room 211, phone 1-8224.

Yossef Spiegel (226, 1-5398) is a 1991 Northwestern Ph.D. who is currently Director of Undergraduate Studies in the Economics Department at Tel Aviv University. He works in IO with special interests in regulation, corporate finance and political economy.

Kathryn Ierulli (228, 1-8204), a labor economist, was a classmate of Tim Conley's at the University of Chicago. She now teaches in the Department of Economics at the University of Illinois at Chicago.

Bill White (320, 1-8250) is based in Chicago and is completing his Ph.D. in economic history at Ohio State.

Gloria Bazzoli will be replacing Teresa Waters teaching health economics. She has an economics Ph.D. from Cornell and is affiliated with NU's Institute for Health Service Research and Policy Studies.

Dan Rich our labor economics visitor last year has returned to Illinois State University, while **Gordon Green** has taken a position with the Law and Economics Consulting Group in Evanston.

Bill Rogerson has returned from his stint as Chief Economist of the Federal Communications Commission and will be teaching the first part of the IO field sequence this fall. I regret that **Rebecca Blank** has moved to be a Dean at the University of Michigan after service on the Council of Economic Advisors. We also say goodbye to **Alberto Trejos**, who has decided to stay in Costa Rica, and **Alan Taylor** who is at the University of California at Davis.

Faculty leaves

During the coming year **Eddie Dekel** remains on leave in Israel, while **Paula Ramada** will be spending the year at University College, London. **Juuso Valimaki** will also be in England at the University of Southampton.

Michael; Whinston will be on leave all year as the Ohlin Professor of Economics at the University of Chicago, and **Rob Porter** will spend the fall at MIT. **Ian Savage** will be at the University of Western Australia from the end of October to the middle of January.

Staff changes

Last year **Scott Zacher** was appointed Undergraduate Secretary, and with the moves he now has his own office - Room 208. His office will act as the focal point for all undergraduate enquires.

In the main office **Lavonne Payne** has left the university and has been replaced by **Sandy Shaver** who joined us at the end of August.

Quarter dates

Due to the Jewish holidays, the starting date of the fall quarter is somewhat unusual this year. Classes will begin on **Tuesday September 21**. However, registration and the like will take place as normal the previous week.

Please note that University has also moved back the start of the winter quarter 2000 from Monday, January 3 to Wednesday, January 5. This is to accommodate any travel or other problems caused by the Y2K bug. [Of course, the largest potential computer problem is the University's new registration system . . .] Department offices will, ComEd permitting, be open on January 3 and 4.

New prelims policy

Two years ago the Department faculty voted a clarification of its policy on written qualifying examinations ("prelims"). This policy applies to the

entering classes of 1998 and 1999. This policy has implications as to whether you will be permitted to continue in the program if you do not make good progress. It will be strictly enforced. The text of the policy is available on our web page, and I urge new students to study it closely.

TA performance

Receiving funding as a Teaching Assistant is a privilege and not a right. We expect all of our TAs to make a good faith effort to do their best. We would like to make it known that exceptionally poor performance or unprofessional conduct will be grounds for your dismissal as a TA. The Department will do this even if you have met the other criteria for funding.

Events . . .

Teaching assistant training

A one-morning program will be held on Wednesday, September 15 for the training of new Teaching Assistants. This is organized by the Searle Center for Teaching Excellence. All TAs who will be teaching for the first time in 1999-00, or missed last year's program, are required to attend. The training will last from 8:30AM to 12:30PM. The program starts in University Hall 118. You will then attend a specialized session for economics TAs led by **Jim Sullivan**, a past winner of our Distinguished TA award.

Orientation for second year students

Second year students are invited to attend a session on Friday September 17 at 1:00PM - 4:00PM in Leverone Hall 166 (this is on the west side of the Leverone lobby and is a different room from the one we will be using as our seminar room). Presentations will be made by the Director of Graduate Studies on the requirements for the Ph.D. degree, funding mechanisms, and the E01 seminar. Short presentations will then be made by faculty describing the field course choices available in the Department and within KGSM.

Start-of-year reception

Faculty, staff, graduate students, and their families are all invited to the start of year buffet and reception that will be held in the Andersen Hall atrium at 7:00PM on Wednesday, October 6.

This reception will also feature the awarding of the Department's Distinguished Teaching Assistant awards for 1998-99. The winners will receive a certificate and a year's subscription to *Econometrica*.

Orientation for students on the job market

Robert Gordon, Director of Graduate Placement, will be holding an orientation session for students who are going on the job market on Thursday September 30 at 5:00PM in the Seminar Room (Leverone 165). For more details see the "From the Director of Graduate Placement" section below.

E01 Seminar . . .

The E01 seminar enters its fourth year. In 1999-00 it will again be organized by Larry Christiano and Marty Eichenbaum. The seminar will meet on Wednesday and Thursdays as needed at 5:00PM in the Seminar Room (Leverone 165). There will be one presentation each day and the seminar will last for one hour including the question-and-answer period.

The sign-up sheet for the Fall Quarter is now available in the Graduate Secretary's office.

For admission to candidacy students need to make two E01 presentations. Typically these are made in the third year, one in the Fall and the other in Winter or Spring. Therefore third-year students should now sign up to present the paper that they submitted earlier this summer.

Given that you already have had a faculty member sign that your paper is acceptable, you must present this paper in the fall quarter. Failure to present by Christmas will give rise to questions about

the substance of your paper and could lead to the removal of financial aid for winter and spring quarters.

Please remember that you need two faculty members to read your paper and attend the seminar before "signing off" on the form available from the Graduate Secretary's office. Attendance at E01 seminars is compulsory for all third year students. Permission for absence should be requested from the organizers. You should also register for E01 all year but register on a P/N basis. Letter grades will not be given.

Please remember that two E01 presentations are required as a prerequisite for doctoral candidacy. This is a requirement irrespective of whether you wish to have Departmental funding in your fourth year. This year at least one person was denied fourth year funding because they had not completed the E01 requirement.

Second year students should start attending E01 seminars in the winter or spring quarters so that they can appreciate the acceptable standard for field papers.

Full information on our E01 requirement, and practical information, is available on our web page.

Teaching Matters . . .

Course offerings 1999-00

The schedule for graduate courses for 1999-00 is shown on the last page of this newsletter. Please note that we discovered that the proposed 460-2 (D60-2) in the winter quarter by Professor Eichenbaum mirrored material that was scheduled to be presented in a Finance Department course by Professor Sergio Rebelo. Therefore only the latter course will be offered but it will have a dual course number. Economics students should register using the ECON 460-2 number.

Course descriptions - fall 99-00

Economics D12-1

Economics Theory and Methods

Professor Ely

MW 11-1

203 HRS

This course is intended to provide students with an understanding of the theory of non-cooperative games sufficient for a careful application to practical economic problems. The emphasis is therefore on areas of game theory most often encountered in applied analysis: games with incomplete information in normal and extensive form; extensive form games with perfect information; and repeated games.

We will introduce solution concepts appropriate to these classes of games and see them at work in standard applications such as bargaining, oligopoly, signaling models, auctions, and voting.

Evaluation is based on weekly problem sets and a take-home final exam. The text is *Game Theory* by Fudenberg and Tirole.

Economics D15-2

Advanced Microeconomics

Professor Reiter

TTh 11-1

372 LEV

No description received

Economics D16-1

Advanced Macroeconomics

Professor Bassetto

TTh 1-3

G30 ANN

This course will study some applications of game theory to macroeconomics. The main topic is the literature on time consistency and sustainable plans, focusing both on its tools and on its issues.

Tools: determination of an optimal time-consistent policy as a fixed-point problem; Abreu, Pierce and Stacchetti's algorithm; recent extensions.

Issues: sustainability of sovereign debt and fiscal policy; international capital flows; time-consistent monetary policy and inflation. We may also devote some time to papers that use political economy in recursive general equilibrium problems to address the same issues.

Evaluation will be based on class presentation of a paper from the literature and two take-home assignments.

Readings will be articles from recent papers and a forthcoming book by Thomas J. Sargent and Lars Ljungqvist.

Economics D20-2

European Economic History

Professor Mokyr

TTh 9-11

272 KRG

This course deals with selected topics in European Economic History. It is not a systematic survey course of the topic, as such a survey would take at least a full year. It deals primarily with the post 1750 period, and even there it will only deal with a sample of issues.

There will be a midterm exam and a paper. The midterm will be a 2 hour exam on the material in the readings in the first 6 weeks. A full-sized paper, due at the latest in December 2000, should be a research paper and will carry most of the credit and will be graded on the basis of originality and publishability. The course outline and readings will be available in packet.

Economics D50-1

Industrial Organization and Prices

Professor Rogerson

MW 9-11

310 HRS

This course will provide a basic treatment of the modern theory of industrial organization based on Jean Tirole's textbook *The Theory of Industrial Organization*. The material presented in the first quarter of the Industrial Organization sequence provides a foundation for studying empirical industrial organization, regulation, and more advanced topics in theoretical industrial organization that will be covered in the subsequent two quarters.

Economics D60-1

International Trade
Professor Matsuyama
MW 11-1

G32 ANN

The first quarter in the two-quarter graduate international economics sequence. This year's focus is imperfect capital markets and crises in the global economy.

We will consider four topics: (1) We run through the basics of international trade theory--how quickly depends partially on the interest on enrolled students (so, don't miss the first meeting). (2) The standard models of the current account, with perfect capital markets. (3) Models of the current account with imperfect capital markets. (4) We review several approaches to model liquidity, banking crises, bubbles and crashes in other types of market volatility.

In D60-2 (460-2) in the winter quarter, Sergio Rebelo of KGSM's Finance Department will discuss currency crises and debt crises.

Evaluation will be based on class participation, article reviews and/or a research proposal. The required textbook is Obstfeld and Rogoff, *Foundations of International Macroeconomics* (MIT Press). Also recommended are Charles P. Kindleberger's *Manias, Panics, and Crashes*, and Barry Eichengreen's, *Globalizing Capital* (Princeton University Press).

Economics D81-1

Econometrics
Professor Matzkin
MW 1-3

G32 ANN

The course deals with parametric and nonparametric methods for estimating popular microeconomic models. The models studied include qualitative response models, tobit models, duration models, simultaneous equations models, and panel data models. Evaluation will be on several problem sets and a final exam. There will be selected readings, most in a course package.

Economics D98

Advanced Topics - *Social Choice Theory*
Professor Shotts
TTh 1-3

G32 ANN

There are myriad methods by which a group of individuals with well-defined preferences over a set of mutually exclusive alternatives might choose a given alternative from that set. The course is concerned with the properties of such methods. In particular, we focus on the theory of direct preference aggregation, ignoring for the most part any strategic issues.

The key questions then concern conditions under which social choices are well-defined (core existence) and characterizing such choices given they do exist (core characterization). These questions are addressed in two environments: finite alternative sets and the spatial model, in which the set of feasible choices is modeled as a subset of Euclidean space. If time permits, we will also consider strategic problems (e.g. voting tournaments). The development of the theory is cumulative and is intended to provide a foundation for more applied work in political economy.

Assessment is by homework and a take-home exam.

Strategy D49-1

Competitive Strategy
Professor Spulber
Tu,F 4-5:30

619 LEV

The course examines the economic analysis of competitive strategy. The course reviews the main economic theories of the firm including neoclassical, industrial organization, contractual and organizational-incentive. The course then introduces the intermediation theory of the firm. Topics covered include price setting by intermediaries, transaction costs, moral hazard, adverse selection, opportunism, search and matching, and delegated competition. The course provides an overview of the area of management strategy and explores the implications of

theories of the firm for management decision making in competitive markets.

Readings will be journal articles in a case packet and required texts: Daniel F. Spulber, *Market Microstructure, Intermediaries and the Theory of the Firm* (Cambridge Univ. Press, 1999), and Daniel F. Spulber, *The Market Makers* (McGraw Hill, 1998).

MEDS D60-1

Foundations of Management Economics
Professor Vohra
TTh 9-10:30

561 LEV

All of mathematics is devoted to answering one of three types of questions. Given a function f and a set S , (1) find an x such that $f(x)$ is in S . This is the **feasibility** question; (2) find an x in S that optimizes $f(x)$ - this is the problem of **optimality**; and (3) find an x in S such that $f(x) = x$; this is the **fixed point** problem.

Since these are the problems mathematics is designed to solve, it should come as no surprise that all of economic theorizing reduces, in the end to the solution of one of these three problems. These three problems are, in general, quite difficult. However, if one is prepared to make assumptions about the nature of the underlying function (say it is linear, convex or continuous) and the nature of the set S (convex, compact etc.) it is possible to provide answers and very nice ones at that. This course is about the answers as well as the relationships between them.

Most of what will be covered (without the embellishments, amplifications or intuitions) can be found in the Mathematical Appendix of *Microeconomic Theory* by Mas-Collel, Whinston and Green. I intend to cover topics not found there and in other comparable texts like submodularity and approachability. In addition I will illustrate the applications to a host of problems in mathematical economics and game theory. For example, input/output systems, no-arbitrage theorems, Arrow's Impossibility theorem, the mini-max theorem, the principal agent problem, existence of Nash and correlated equilibria and existence of the core.

Grading will be based on weekly homework assignments. Prerequisites are a knowledge of linear algebra and some real analysis.

MEDS D65-1

Contract Theory and Mechanism Design
Professor Baliga
T 2-5 561 LEV

First class September 28. (1) Moral Hazard: The static principal-agent model with moral hazard; moral hazard in teams; relative performance evaluation; justification for linear contracts; the multi-task principal agent model; common agency; dynamic principal-agent contracts; short-term versus long-term contracts; renegotiation.

(2) Adverse selection: The static principal agent model with adverse selection; dynamic principal agent model with full commitment, zero commitment and renegotiation.

(3) Implementation theory: Brief statement of revelation principle; Nash implementation; subgame perfect implementation; implementation with renegotiation; Bayesian and perfect Bayesian implementation; implementation when the planner is a player.

(4) Theory of the firm: the Grossman-Hart-Moore model of incomplete contracts; foundations for incomplete contracts; mechanism design with collusion.

Grading is based on 5 problem sets. Note that ECON 414-1 (D14-1) covers some adverse selection models, auctions and public good models that are not covered in this class.

From the Director of Graduate Studies . . .

Office hours

I will have weekly walk-in office hours for graduate student matters on Tuesdays from 2PM - 3:30PM and Thursdays from 1:30PM - 3PM in my office (AAH 318).

You can drop by at these times without an appointment to discuss issues relating to the graduate program or just to introduce yourselves. If these times conflict with other commitments, email me <ferrie@nwu.edu> and we'll arrange another time to meet.

Funding guidelines

The Department has brought together the guidelines for supporting students in years two through four into one document. This document is posted on our web site. I encourage you to read it carefully. *The Department strictly enforces these funding criteria. For example, five fourth-year students were denied Departmental funding for the coming year because they were not admitted to candidacy on time.*

2000 spring prelim dates

The June examinations will be held:
Wed June 14 Macroeconomics
Wed June 21 Econometrics
Wed June 28 Microeconomics
All examinations will be held 1PM - 4PM.

2000 fall prelim dates

Tues Sept 5 Macroeconomics
Wed Sept 6 Econometrics
Fri Sept 8 Microeconomics
All examinations will be held 1PM - 4PM.

Fall quarter TA course allocations

The forms that allow TAs to express preferences for duties were placed in your mailbox on August 30. Completed forms have to be returned to Scott Zacher by September 15. Unfortunately, the allocation can only be announced at 4:00PM on Friday September 17 because we do not know enrollment in B01 and B02 until freshman enrollment closes that afternoon. Classes start the following Tuesday.

TA periods in residence

Each quarter that you are a TA, you must be in Evanston from the first day of classes until the Monday after examinations end

(which is the day that grades are filed). In the past people have left early and arrived back late, in some cases without informing the instructor. The Department will no longer tolerate this. You must arrange your vacation airline flights so as to be able to fulfill your duties. Failure to do so will be grounds for rescinding your TAship. For 1999-00 the dates for which you must be in attendance are:

Fall: Tues Sept 21 - Mon Dec 13
Winter: Wed January 5 - Mon March 20
Spring: Mon March 27 - Mon June 12

FAQs by entering students

FAQ1: What courses should I register for?

A1: You really have very little choice your first year. Unless you are EXTRAORDINARILY well prepared due to previous graduate work, you should plan on taking the three, three quarter core sequences D10 (410), D11 (411), and D80 (480).

FAQ2: How many courses must I take this year?

A2: You must take 10 courses, in addition to D01, over the course of the academic year. That is, you must take a fourth course in at least one quarter.

FAQ3: What can I take as my "extra" course?

A3: You can take any course carrying graduate credit as your 4th course. Courses C-level (300-level) and above generally carry graduate credit. It need not be an Economics course nor a graduate course. In fact, the Department strongly recommends taking undergraduate Real Analysis (Math C10-1) as a 4th course in the fall quarter, unless your math background is too weak or too strong. This is a matter to discuss with your Advisor.

FAQ4: Can I take Math C10-1 Pass/Fail?

A4: Yes! We recommend C10-1 to expose you to mathematical reasoning and gain a deeper understanding of what constitutes a rigorous "proof," not to fatten your GPA. While the grade you earn in

Math C10-1 is not important *per se*, the Graduate School requires you to maintain a B average. If you're nervous about getting a C, take it P/N.

FAQ5: Can I "place out" of one or more core courses?

A5: Yes. You can skip any course whose material you feel you've already mastered. Just inform me, your Advisor, and the instructor, so we know what you're doing. However, bear in mind that you CANNOT "place out" of the associated Prelim exams, which are based on the material covered in the core courses. For this reason, few students elect to skip any core courses.

FAQ6: How do I apply for financial aid for my 2nd year?

A6: The Department assumes that continuing students are interested in receiving financial aid for next year, so you do not need to formally "apply" for it, even if you are not receiving aid this year. Sometime this spring we will ask all continuing students to fill out a brief information form. The rules for qualification for second (and subsequent) year funding are posted on our web page.

FAQ 7: If I am a foreign student, what else do I have to do to ensure second year funding?

A7: Foreign students from non English-speaking countries must pass the Test of Spoken English before the Graduate School will award a Teaching Assistantship, the most common form of 2nd year funding. TSE tests taken before July 1997 require a passing score of 45. Those taken in July 1997 and later require a score of 50.

Therefore, FOREIGN STUDENTS SHOULD SIGN UP FOR THE TSE AS SOON AS POSSIBLE. NOW IS NOT TOO SOON! This is a rigid Graduate School requirement, beyond the Department's control. The Department has a policy of not asking for waivers of this requirement, neither will it support you in requesting alternative forms of testing. Otherwise qualified students have been

denied funding in the past because they have not passed the TSE. TAKE THE TSE EARLY AND OFTEN. Leaving it until next summer is not a good idea. Indeed if you have not received notification of a TSE pass by July 30, 2000, you will probably not receive departmental funding for any part of your second year.

FAQ8: Is it possible to obtain financial aid for 1999-00 at this point?

A8: Unfortunately, the Department has no additional financial aid it can award to entering students, not even a "tuition waiver." (Many departments at state universities have continuing access to such funds. We do not.) If you are entering the program without financial aid, you should not expect to receive any later this year. For your second year, however, you will be considered for aid based on the same standards of satisfactory progress as those currently receiving aid.

From the Graduate Secretary's Office . . .

I'd like to welcome all of the students, new and continuing, to the 1999-00 school year. I hold an open door policy to all of the graduate students in my new office in Andersen 215. If you should have any questions or need anything, please feel free to come and see me.

First year students

First-year students have been assigned a Faculty Adviser, please make an appointment to talk with your adviser before you register for your Fall classes.

Important dates

September 27 submit your Application for Admission to Candidacy to the Graduate School to be granted a Master's Degree in December.

November 5 is the last day for return of the Application for a Degree for all candidates who expect their degrees to be awarded in December.

December 3 is the last day for submission of the COMPLETED dissertation and all supporting materials to the Graduate School for students who expect to receive the Ph.D. degree in December.

December 10 is the last day for receipt of the Final Examination Report and any Change of Grade forms for D99 Projects or E90 Research to the Graduate School for Master's candidates who expect their degrees to be awarded in December.

TAs and RAs to file a W2

In order to be paid as TAs or RAs, grad students have to go to payroll at 720 University Place and fill out a W2 form.

Funding . . .

Teaching for Summer Session 2000

Application forms for teaching in the Summer Session 2000 will be circulated to all graduate students in the third year and above in early October. Appointments to these positions will be made by the Director of Graduate Studies and the Assistant Chair.

Appointment of lecturers for University College 2000-01 will be made in February 2000. Please note that appointments to these positions are made by the associate dean of University College and not by the department. After reviewing the forms and checking your CTEC records as a teaching assistant, she will invite a short list of candidates to attend an interview.

These positions provide valuable teaching experience for students with good teaching skills. They can provide a more certain form of funding for students in their fifth year, or those fourth year students who are not admitted to candidacy on time.

Information on funding opportunities

Last year, the Director of Graduate Studies established a web page which presented information on funding opportunities for graduate students, other

than the TA and RA opportunities within the Department. The web page will be updated regularly and contains links to other web sites and PDF documents that give further information and contain application forms for you to download. The web page can be accessed from the "Information on the Ph.D. program" subpage of the Department's website.

From the Director of Graduate Placement . . .

Last year was another successful year for student placement. Best wishes are offered to the following people as they start their professional careers:

Amy Almeida - Putnam, Hayes and Bartlett
 Jim Hornsten - Bowdoin College
 Dongjun Ma - Brattle Group
 Matt Magura - U.S. Department of Justice
 Colin McCormick - Oliver, Wyman
 Una Okonkwo - Indiana-Purdue University at Indianapolis
 Cagla Okten - Louisiana State University
 Elie Tamer - Princeton University
 Okan Yilankaya - University of British Columbia
 Michele Zaharchuk - University of Toronto
 Xinge Zhao - College of William and Mary

This year's job market

Robert Gordon, Director of Graduate Placement, will be holding an introductory meeting on Thursday, September 30 at 5:00PM in Leverone 165 for students planning to be on the job market. Please note the following deadlines in preparation of materials for the job market.

October 1: A completed draft of students' job market papers should be in the hands of their Ph.D. committee members.

October 15: Students must have entered their vita on the standard template.

Procedures will be distributed at the introductory meeting. Vitae will be collated and mailed to over 200 institutions by Maryann Semer. The "vitae packet" will also be posted on the Department's World Wide Web site. To prepare the web version of your vita please see under "Ph.D. Job Candidates" on our web site.

October 29: Students should prepare multiple copies of their paper for their packets. A photocopy account set to a maximum of 5,000 copies, which is the limit for which the Department will bear the cost, will be in operation for the calendar month of November. Individual code numbers can be obtained from the main office on or after November 1.

October 29: Approval of the list of 100 addresses for packet labels by your advisor. The Department will process a maximum of 100 labels. You should prepare the labels yourself. If you need assistance, please see Maryann Semer in Cresap 108.

November 12: Students are responsible for "stuffing" their own packets with their vita and paper. A box containing the addressed stuffed envelopes must be delivered to room 301 on November 12.

November 24: The Department will hire temporary help to place reference letters in the packets in a confidential manner and mail the packets. The temporary help will be available November 15-24. Students will receive notification in their boxes when their completed packets have been mailed. If you have more than 100 packets, you should expect to be charged for postage and materials.

Notes . . .

E-mail addresses

The Department has replaced most paper memoranda by e-mail. A group mailing list for graduate students is <econ-

grads@nwu.edu>. There is also a list called <econ-1stysr@nwu.edu> which is for first year and BA/MA students. Do not mail to both of these lists as the second is a sub-set of the first.

To permit these mailing lists to be updated, first-year students should get an e-mail account as soon as possible, change their address using the PH system to the abbreviated <yourname@nwu.edu> format, and inform Ian Savage and Mercedes Thomas of the address. Please do so by September 17. We will then set up the group mailing lists. If you change your e-mail address after this date, you risk not being on the mailing lists.

Personal copy accounts

Graduate students can obtain a personal account on our copy machines. You will be billed at the end of each month at 5¢ a copy. To obtain an account please send an e-mail to the Assistant Chair <ipsavage@nwu.edu> with your name and a 5-digit number to be used as your personal access code (the number must not start with a 0).

Web page

The department's web site contains directory information for faculty and staff, seminar listings, class information, and official documents on degree requirements. There are also links to information provided by the Graduate School, plus many interesting economics databases and sources. The URL is:
<http://www.econ.nwu.edu>

Graduation Rates

The department has kept detailed records on the progress of students entering our Ph.D. program since 1985. You may find the following information of use to you. The first table shows the percentage of each class making it to completion of preliminary examinations, candidacy, and completion.

Class	Prelims	Candidacy	Completion
1985	100%	73%	67%
1986	79%	68%	58%
1987	74%	47%	47%
1988	72%	56%	50%
1989	66%	61%	54%
1990	52%	48%	30%
1991	54%	49%	37%
1992	58%	52%	39%
1993	81%	75%	38%
1994	79%	52%	na
1995	74%	56%	na
1996	91%	65%	na
1997	91%	na	na

The second table shows the time to completion for students entering between 1985 and 1992. Completion is based on the date that the degree was awarded, which may be up to a year from the time that the student left Northwestern to take up a job. The mean is 5.93 years and the median is 6.0 years, albeit there is a trend for the median time to fall to 5.0 years.

Duration	Number of Students
3 years	2
4 years	6
5 years	29
6 years	25
7 years	15
8 years	3
9 years	4
10 years	2

Next Graduate Connection

Volume 5, number 2 will be published on December 1. Because the Assistant Chair will be on leave, the editor for the next edition will be Mercedes Thomas.

NORTHWESTERN UNIVERSITY
Department of Economics

COURSE OFFERINGS 1999-00

		<u>FALL</u>	<u>WINTER</u>	<u>SPRING</u>
D01/401	Mathematical Methods	Ely		
D10/410	Microeconomics	(-1) Panzar	(-2) Reiter	(-3) Sandroni
D11/411	Macroeconomics	(-1) Christiano	(-2) Eichenbaum	(-3) Barlevy
D12/412	Economic Theory & Methods	(-1) Ely		(-1) Chung
D14/414	Economics of Information		(-1) Wolinsky	
D15/415	Advanced Microeconomics	(-2) Reiter		
D16/416	Advanced Macroeconomics	(-1) Bassetto	(-2) Monge	(-3) Christiano
D20-1/420-1	American Econ. History			Ferrie
D20-2/420-2	European Econ. History	Mokyr		
D40/440	Econ. of the Labor Market		(-1) Taber	(-2) Mortensen
D50/450	Industrial Organization and Prices	(-1) Rogerson	(-3) Zheng	(-2) Porter
D60/460	International Economics	(-1) Matsuyama	(-2) Rebelo	
D80/480	Intro. to Econometrics	(-1) Manski	(-2) Matzkin	(-3) Conley
D81/481	Econometrics	(-1) Matzkin	(-2) Manski	(-3) Conley
D83/483	X-Sectional Methods			Taber
D98/498	Advanced Topics	Shotts		

GRADUATE OFFICE ASSIGNMENTS 1999-00

Andersen 201 (1-8208)

Gladden
Santiago
Jepsen

Andersen 302 (1-8239)

Santiago
D. Levy
Geraghty
Dubé
Wiseman
Silva

Instructors can use Andersen 301 and 229 (from January 2000) to meet with students.

Cresap 102 (1-8211)

Chabot
Gurrea

Cresap 103 (1-8211)

Martins
Takizawa

Cresap room 102 and 103 may not be available until October 1

Cresap 104 North (1-8216)

Squintani
Sullivan
Peters
Doraszelski
Bizan
Barth
Lentz

Cresap 104 South (1-8221)

Villanueva
Zeng
Goldfarb
Beresteanu
Battaglini
Burststein
Levin

Cresap 109 South (1-8228)

Albanesi
Gerardi
Konya
N. Levy
Long
Kwiek
Mechoulan

Cresap 109 North (1-8228)

Molnar
Ogur
Ohashi
Siu

Cresap 110 North (1-8236)

D. Moore
Reckelhoff
Schenone
Usui

Cresap 111 (1-8244)

Sinitsyn
Matsuyuki

Cresap 112 South (1-8244)

Adulwattana
Barseghyan
Di Cecio
Drelichman
Erus
Fusaro
Jirnyi
Kaluzny

Macskasi
L. Moore
Nixt
Nopo

Cresap 112 North (1-8253)

Stewart
Vigfusson
Ciliberto
Celik
Kriesle

Institute for Policy Research

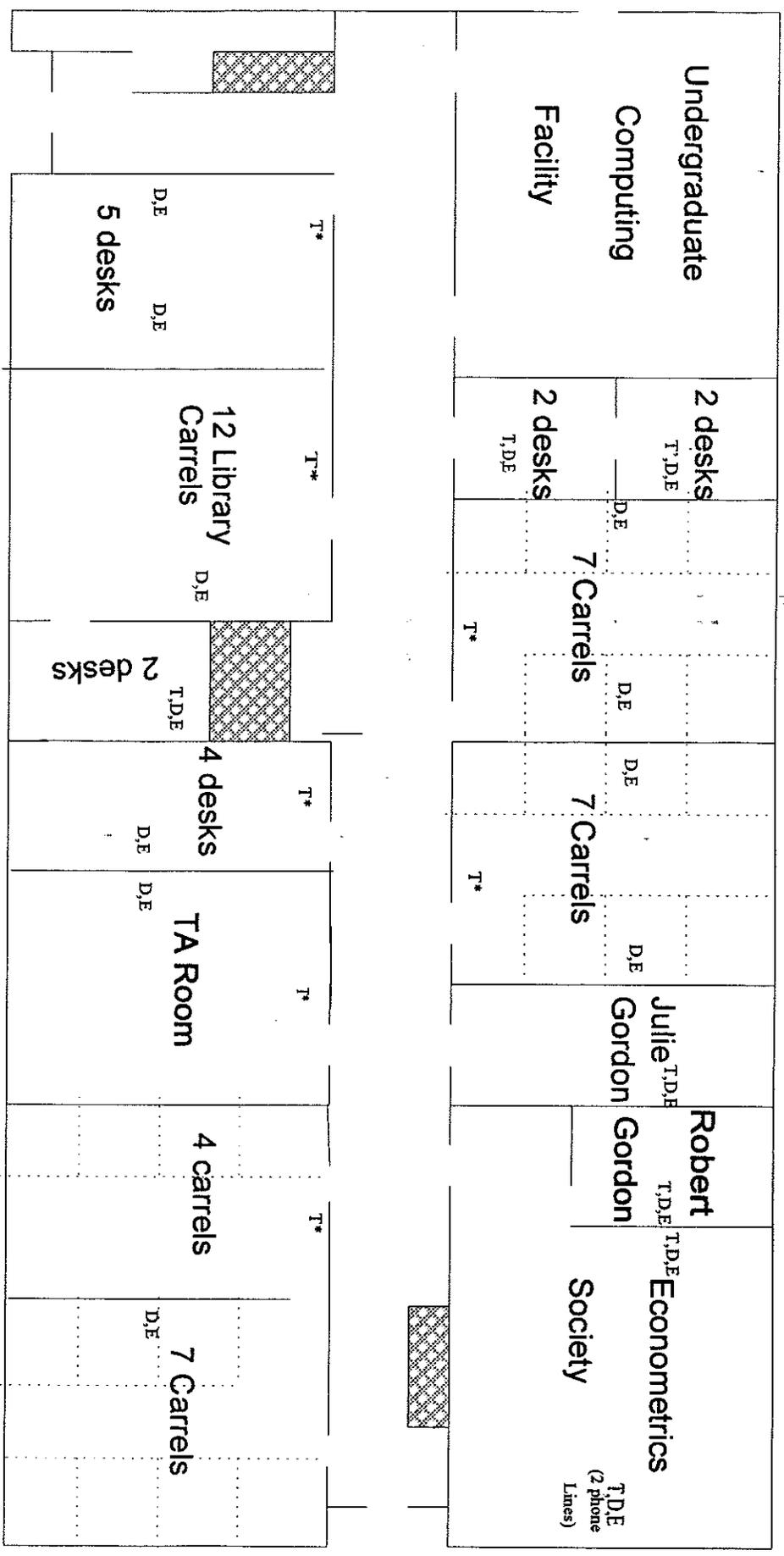
Ballou
Groeger
Heim

Still to be seated

Tatur
Aquilar-Ceballos
Gonzalez
F. Molinari
Ueno

PLAN OF CRESAP WING OF SWIFT HALL IS ON THE NEXT PAGE.

102 (115sf) 104 North 104 South 105 106
 103 (113sf) (470 sf) (470 sf) (220 sf) (172sf) 108 (568 sf)



Cresap Wing - First Floor

T = desk phone
 T* = wall phone
 D = data line
 E = Electrical outlet